

# 523.105 Sustainability Exceptions.

(a) *Allowable Exceptions.* An exception for acquiring sustainable products or services is available if any of the following conditions exist:

- (1) Product or service cannot be acquired competitively within a reasonable performance schedule.
- (2) Product or service cannot be acquired that meets reasonable performance requirements.
- (3) Product or service cannot be acquired at a reasonable price.

(i) The price shall be deemed unreasonable when the total life cycle costs are significantly higher for the sustainable product or service versus the non-sustainable product or service. Life cycle costs are determined by combining the initial costs of a product or service with any additional costs or revenues generated from that product or service during its entire life.

(ii) For more information on conducting a life cycle cost analysis (LCCA), review the guidance <https://sftool.gov/>.

- (4) A specific statutory exemption applies.

(b) *Documentation Process.* If at any point during the acquisition the contracting officer determines that a contract action cannot comply with the sustainable requirements outlined in GSAM [523.104](#)(a)(1) due to an allowable exception, the contracting officer must document within the contract file the exception being used under GSAM [523.105](#)(a) and provide supporting rationale for using the exception. The exception can be documented in the Environmental and Energy Conservation Objectives section of the acquisition plan under FAR 7.105(b)(17) or in a separate memorandum that is included in the Acquisition Plan section of the contract file.

**Parent topic:** [Subpart 523.1 - Sustainable Acquisition Policy](#)